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February 28, 2011

Mr. Michael J. Pacilio
Senior Vice President, Exelon Generation Company, LLC
President and Chief Nuclear Officer, Exelon Nuclear
4300 Winfield Rd.
Warrenville, IL 60555

SUBJECT: OYSTER CREEK NUCLEAR GENERATING STATION - NRC SECURITY
BASELINE INSPECTION REPORT 05000219/2011403

Dear Mr. Pacilio:

On January 14, 2011, the U.S. Nuclear Regulatory Commission (NRC) completed a security baseline inspection at your Oyster Creek Nuclear Generating Station. The inspection covered one or more of the key attributes of the security cornerstone of the NRC's Reactor Oversight Process. The enclosed report documents the inspection results, which were discussed on January 14, 2011, with Mr. Peter Orphanos, Plant Manager, and other members of your staff.

The inspection examined activities conducted under your license as they relate to security and compliance with the Commission's rules and regulations and with the conditions of your license. The inspectors reviewed selected procedures and records, observed activities, and interviewed personnel.

This report documents one finding of very low security significance (i.e., Green as determined by the Baseline Security Significance Determination Process). The deficiency was promptly corrected or compensated for, and the plant was in compliance with applicable physical protection and security requirements within the scope of the inspection before the inspectors left the site. The finding was NRC-identified.

The finding had a cross-cutting aspect in the area of Human Performance (Work Practices component) because the licensee did not ensure supervisory and management oversight of work activities such that nuclear safety/security was supported [H.4(c)]. If you disagree with the cross-cutting aspects assigned to any finding in this report, you should provide a response within 30 days of the date of this inspection report, with the basis for your disagreement, to the Regional Administrator, Region I, and the NRC Resident Inspectors at Oyster Creek.

Enclosure contains Sensitive Unclassified Non-Safeguards Information. When separated from enclosure, the transmittal document is decontrolled.
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However, because of the very low safety significance and because it is entered into your corrective action program, the NRC is treating this violation as a non-cited violation consistent with the Section 2.3.2 of the NRC Enforcement Policy. If you contest this non-cited violation, you should provide a response within 30 days of the date of this inspection report, with the basis for your denial, to the Nuclear Regulatory Commission, Attn: Document Control Desk, Washington, DC 20555-0001; with copies to the Regional Administrator, Region I; the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001; and the NRC Resident Inspectors at Oyster Creek.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system, ADAMS. ADAMS is accessible from the NRC Website at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room). However, because of the security-related concerns contained in the enclosure, and in accordance with 10 CFR 2.390, a copy of this letter's enclosure will not be available for public inspection.

In accordance with 10 CFR 2.390(b)(1)(ii), the NRC is waiving the affidavit requirements for your response, if any. This practice will ensure that your response will not be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system, ADAMS. If Safeguards Information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.22. Otherwise, mark your entire response "Security-Related Information - Withhold Under 10 CFR 2.390" and follow the instructions for withholding in 10 CFR 2.390(b)(1).

Sincerely,

/RA/

Silas R. Kennedy, Acting Chief
Plant Support Branch 1
Division of Reactor Safety

Docket No. 50-219
License No. DPR-16

Enclosure: Inspection Report 05000219/2011403 w/Attachment: Supplemental Information (OUO-SRI)

cc w/encl; w/OUO-SRI:

T. Keenan, Security Manager, Oyster Creek, Exelon Nuclear
P. Baldauf, Director, Div. of Environ. Safety and Health, NJ Radiation Protection Programs
C. McKenna, Director, NJ Office of Homeland Security & Preparedness

cc w/o encl; w/o OUO-SRI: Distribution via ListServ

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C. McKenna, Director, NJ Office of Homeland Security & Preparedness

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